
DIGEST

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Edwards

HB No. 1443

Abstract: Requires contractors for privatization of certain DHH mental health facilities and services be selected through the request for proposals (RFP) method and that RFP's include certain evaluation factors and defined tasks. Requires prior legislative committee approval of such contracts.

Proposed law shall apply to any contract entered into by the Dept. of Health and Hospitals (DHH) beginning any time after April 15, 2010, for the privatization of any portion of the activities which were performed by specific institutions or programs during FY 2009-2010. The institutions and programs specified are:

- (1) Eastern Louisiana Mental Health System, Jackson Campus.
- (2) Eastern Louisiana Mental Health System, Greenwell Springs Campus.
- (3) Southeast Louisiana Hospital.
- (4) Central Louisiana State Hospital.

Proposed law requires such contracts use the RFP method of selecting a sole source contractor. Requires any RFP contain certain evaluation factors and defined tasks.

Proposed law requires RFP's contain evaluation factors regarding a contractor's ability to consider former employees of the institution for employment; the contractor's ability to employ former employees of the institution with 15 years or more experience in the state civil service; and the contractor's ability to provide the services for less than the institution's operating budget for FY 2009-10.

Proposed law requires RFP's contain certain defined tasks:

- (1) Provision of a level of services and overall patient capacity which is no less than the level of services and patient capacity provided during FY 2009-2010 by the respective state institution. Standards for this task shall include the bed capacity, the ratio of staff to patients, the staff credentials, including psychiatrists rather than psychologists, and registered nurses rather than licensed practical nurses, and the quality of forensic and other psychiatric services.

- (2) Continuation of any psychiatric, medical doctor, nurse, or other healthcare personnel training activities to meet current and future needs of the state.

Proposed law requires prior approval of the House and Senate committees on health and welfare, meeting jointly, and, if approved by each of the committees and health and welfare, for review and approval of the Joint Legislative Committee on the Budget.

Proposed law requires the DHH secretary to submit a written report to the House and Senate committees on health and welfare detailing the results and costs associated with the contracted services since the privatization of the institutions. Provides that such report shall be provided within 60 days of the close of FY 2012-2013. Requires that such report include:

- (1) An evaluation of comparative treatment outcomes for each institution.
- (2) An evaluation of employment information for each institution, including the number of employees terminated, the number subsequently re-hired, the average compensation (wages, benefits, and retirement contributions) of employees prior to and subsequent to privatization, a comparison of average compensation of employees terminated and subsequently rehired prior to and subsequent to the privatization, and a comparison of the number of credentialed professionals by category including psychiatrists, psychologists, registered nurses, and licensed practical nurses.
- (3) A comparison of costs to the state to deliver the mental health services via the privatization contract with the costs had the institution delivered the same mental health services, including but not limited to per diem costs per inpatient and outpatient. Such costs shall include capital costs whether or not such costs are reflected in the privatization contract or elsewhere in the state budget.

Effective upon signature of governor or lapse of time for gubernatorial action.